

## Summary of the General Scrutiny Committee recommendations and the executive responses

### 2022/23 budget setting

On 27 January 2022, the General Scrutiny Committee, having been invited for its views on the budget proposals for 2022/23 following the announcement of the provisional financial settlement, recommended that:

<b>Recommendation a)</b>	<b>Consideration be given to the main purpose for the consultation on budget setting and examine how to make the consultation as effective and engaging as possible, so as to make the results meaningful and usable.</b>
<b>Executive response</b>	Next year's budget setting process for 2023/2024 will consider further the best use of consultation with all stakeholders. This year, a citizens' assembly was established, to make recommendations for priorities for Cabinet to consider, consultation next year could look to extend this approach.
<b>Recommendation b)</b>	<b>Further analysis be undertaken comparing and contrasting the proportionate spend on environment and economy services with relevant comparator authorities.</b>
<b>Executive response</b>	The analysis will be carried out and published prior to Full Council meeting on 11 February 2022.
<b>Recommendation c)</b>	<b>The government be asked to look more closely at rural levelling up.</b>
<b>Executive response</b>	The Leader of the Council will write to the Government on this matter.
<b>Recommendation d)</b>	<b>The future presentation of graphs, such as the budget requirement by directorate, include relevant percentages and actual amounts wherever possible.</b>
<b>Executive response</b>	This will be addressed in the papers for Full Council on 11 February 2022.  Please find link to the council tax 2021/22 leaflet:  <a href="https://www.herefordshire.gov.uk/council-tax-explained-2021-22">Your Council Tax explained 2021/22 (herefordshire.gov.uk)</a>
<b>Recommendation e)</b>	<b>A written response be provided to the chairperson of the Adults and Wellbeing Scrutiny Committee on the further comments and concerns from members of that committee as soon as possible and in advance of the budget setting meeting of Council.</b>
<b>Executive response</b>	Agreed. A written response will be provided.

<b>Recommendation f)</b>	<b>The next budget include a programme to respond specifically to issues facing rural communities.</b>
<b>Executive response</b>	Agreed, this will be taken account of in next year's budget setting process for 2023/2024.
<b>Recommendation g)</b>	<b>The capital investment in highway maintenance in market towns is welcomed.</b>
<b>Executive Response</b>	Noted.
<b>Recommendation h)</b>	<b>Consideration be given to the use of 50% of the capital surplus for highways in 2023/24 and 2024/25</b>
<b>Executive response</b>	<p>Whilst the budget setting process mainly focuses on next year's budget (year 1), we acknowledge that consideration should be given to the use of 50% of the capital surplus for highways in 2023/24 (year 2) and 2024/25 (year 3). We are currently working on the projects for the refurbishment of Shire Hall and HCCTP, city centre transport programme.</p> <p>The council do currently have headroom in the capital programme in future years and we will commit to undertake a value for money (VFM) audit and lessons learned exercise in 2022 on the previous £20m capital injection and the projects it funded. This will inform decisions about how best to improve the condition of our core and non-core road networks.</p> <p>We would welcome scrutiny being involved in that process in the coming year so as to be better placed to understand the options available to us as we enter the budgeting process for the 2023/2024 budget.</p>
<b>Recommendation i)</b>	<b>The council should aim to become more targeted and to give funding support to those most in need.</b>
<b>Executive response</b>	<p>Yes agreed, the Council should and will work with the General Scrutiny Committee and other political groups to develop an appropriate support scheme.</p> <p>Supplementary paper attached.</p>
<b>Recommendation j)</b>	<b>Consideration be given to the use of the existing earmarked reserves for Adult Services to offset the requirement for the 1% adult social care precept for 2022/23.</b>
<b>Executive response</b>	<p>These reserves are necessary to mitigate not only the increasing and largely unpredictable pressures existing in this service area, but also to recognise the risks inherent in the young and still developing Talk Community network and the continued need for that community network to receive pump-priming funding and possible future funding injections in order for it to develop and grow.</p> <p>Additionally pressures for C&amp;WB for 22/23 are £4.3 million which represent 5% of the overall gross budget, and these pressures do not presently take account of increasing inflation and the uncertainties regarding how sustained higher level of inflation will be in the care sector.</p> <p>The option of using c. £1.2 million of reserves as an alternative to levying the 1% Social Care Precept is a political decision, the consequences of which must be fully understood. The concern with this proposal is that by taking this level of funding for revenue activities from reserves means that £1.2 million of known and understood pressures will not be being funded in the core budget – effectively creating a deficit in the budget put before council.</p>

	<p>The consequence of this is that the council then enters future years with this deficit being further compounded. This risks continuing government caps on council's ability to raise income through local taxation will make balancing future budgets even more challenging.</p> <p>As we have only had a one year government settlement, it is not clear how government are proposing to fund social care costs in the future.</p> <p>We already have plans in train to utilise c.£500K of the C&amp;WB reserve to provide hard working and often lower paid care workers in Herefordshire with a £500 bonus (subject to normal tax rules) assistance of funds from Workforce Retention Grant received from Central Govt. We believe that planning for such proposals targeted to support and reward the less well off is a better use of the available reserves than making a change to council tax proposals which will disproportionately reward the better off.</p> <p>Please also see recommendation i above.</p>
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<b>Recommendation k)</b>	<b>The next budget include a programme to respond specifically to the climate and ecological emergency.</b>
<b>Executive response</b>	Agreed. For the 2022/2023 budget, we have a citizens' assembly up and running looking at these issues, their recommendations will be presented to Cabinet.

<b>Recommendation l)</b>	<b>The Audit and Governance Committee be invited to consider the use of consultants and information providers.</b>
<b>Executive response</b>	Cabinet will invite the Chair of Audit and Governance Committee to add this to the Committee's work programme.

<b>Recommendation m)</b>	<b>The following recommendations of the Adults and Wellbeing Scrutiny Committee and of the Children and Young People Scrutiny Committee be considered, as appropriate</b> (see annex 1 and annex 2 below)
<b>Executive response</b>	See below.

**Annex 1 Summary of the Adults and Wellbeing Scrutiny Committee recommendations and the executive responses**  
**2022/23 budget setting**

On 10 January 2022, the Adults and Wellbeing Scrutiny Committee, having discussed the budget proposals for 2022/23 as they related to the remit of that committee, recommended that:

<b>Recommendation 1.</b>	<b>A breakdown of the base budget and how much is being spent in each area be provided to the committee. It is further expected that in future there should be consistency in the level of detail contained within the reports produced for each scrutiny committee.</b>																																																																											
<b>Executive response</b>	<table border="1"> <thead> <tr> <th data-bbox="425 582 974 678"><b>Service area</b></th> <th data-bbox="974 582 1209 678"><b>2020/21 budget</b></th> <th data-bbox="1209 582 1444 678"><b>2021/22 budget</b></th> <th data-bbox="1444 582 1691 678"><b>2022/23 budget</b></th> </tr> <tr> <td></td> <th data-bbox="974 678 1209 710"><b>£000s</b></th> <th data-bbox="1209 678 1444 710"><b>£000s</b></th> <th data-bbox="1444 678 1691 710"><b>£000s</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="425 710 974 742">Learning Disabilities</td> <td data-bbox="974 710 1209 742">20,804</td> <td data-bbox="1209 710 1444 742">21,387</td> <td data-bbox="1444 710 1691 742">22,368</td> </tr> <tr> <td data-bbox="425 742 974 774">Memory and Cognition</td> <td data-bbox="974 742 1209 774">2,690</td> <td data-bbox="1209 742 1444 774">2,657</td> <td data-bbox="1444 742 1691 774">2,357</td> </tr> <tr> <td data-bbox="425 774 974 805">Mental Health</td> <td data-bbox="974 774 1209 805">3,692</td> <td data-bbox="1209 774 1444 805">3,616</td> <td data-bbox="1444 774 1691 805">3,394</td> </tr> <tr> <td data-bbox="425 805 974 837">Physical Support</td> <td data-bbox="974 805 1209 837">25,081</td> <td data-bbox="1209 805 1444 837">26,130</td> <td data-bbox="1444 805 1691 837">28,521</td> </tr> <tr> <td data-bbox="425 837 974 869">Sensory Support</td> <td data-bbox="974 837 1209 869">389</td> <td data-bbox="1209 837 1444 869">457</td> <td data-bbox="1444 837 1691 869">418</td> </tr> <tr> <td data-bbox="425 869 974 901"><b>Client budget sub-total</b></td> <td data-bbox="974 869 1209 901"><b>52,655</b></td> <td data-bbox="1209 869 1444 901"><b>54,248</b></td> <td data-bbox="1444 869 1691 901"><b>57,058</b></td> </tr> <tr> <td data-bbox="425 901 974 933">All Ages Commissioning</td> <td data-bbox="974 901 1209 933">1,751</td> <td data-bbox="1209 901 1444 933">1,603</td> <td data-bbox="1444 901 1691 933">1,442</td> </tr> <tr> <td data-bbox="425 933 974 965">Care Operations</td> <td data-bbox="974 933 1209 965">8,861</td> <td data-bbox="1209 933 1444 965">8,425</td> <td data-bbox="1444 933 1691 965">8,329</td> </tr> <tr> <td data-bbox="425 965 974 997">Commissioned Services</td> <td data-bbox="974 965 1209 997">3,044</td> <td data-bbox="1209 965 1444 997">3,036</td> <td data-bbox="1444 965 1691 997">3,174</td> </tr> <tr> <td data-bbox="425 997 974 1029">Transformation &amp; Improvement</td> <td data-bbox="974 997 1209 1029">614</td> <td data-bbox="1209 997 1444 1029">918</td> <td data-bbox="1444 997 1691 1029">953</td> </tr> <tr> <td data-bbox="425 1029 974 1061">Prevention and Support</td> <td data-bbox="974 1029 1209 1061">3,033</td> <td data-bbox="1209 1029 1444 1061">2,526</td> <td data-bbox="1444 1029 1691 1061">2,577</td> </tr> <tr> <td data-bbox="425 1061 974 1093">Talk Community Programme</td> <td data-bbox="974 1061 1209 1093">0</td> <td data-bbox="1209 1061 1444 1093">1,820</td> <td data-bbox="1444 1061 1691 1093">1,581</td> </tr> <tr> <td data-bbox="425 1093 974 1125">Directorate Management</td> <td data-bbox="974 1093 1209 1125">(17,666)</td> <td data-bbox="1209 1093 1444 1125">(12,586)</td> <td data-bbox="1444 1093 1691 1125">(12,660)</td> </tr> <tr> <td data-bbox="425 1125 974 1157">Public Health</td> <td data-bbox="974 1125 1209 1157">(4,874)</td> <td data-bbox="1209 1125 1444 1157">(0)</td> <td data-bbox="1444 1125 1691 1157">0</td> </tr> <tr> <td data-bbox="425 1157 974 1189"><b>Non-client budget sub-total</b></td> <td data-bbox="974 1157 1209 1189"><b>(5,238)</b></td> <td data-bbox="1209 1157 1444 1189"><b>5,742</b></td> <td data-bbox="1444 1157 1691 1189"><b>5,396</b></td> </tr> <tr> <td data-bbox="425 1189 974 1220"><b>Community Wellbeing total budget</b></td> <td data-bbox="974 1189 1209 1220"><b>47,418</b></td> <td data-bbox="1209 1189 1444 1220"><b>59,990</b></td> <td data-bbox="1444 1189 1691 1220"><b>62,454</b></td> </tr> </tbody> </table> <p data-bbox="425 1316 1568 1348">NB. Budget figures include non-recurrent funding, reserve draw downs and transfers to reserves.</p>				<b>Service area</b>	<b>2020/21 budget</b>	<b>2021/22 budget</b>	<b>2022/23 budget</b>		<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	Learning Disabilities	20,804	21,387	22,368	Memory and Cognition	2,690	2,657	2,357	Mental Health	3,692	3,616	3,394	Physical Support	25,081	26,130	28,521	Sensory Support	389	457	418	<b>Client budget sub-total</b>	<b>52,655</b>	<b>54,248</b>	<b>57,058</b>	All Ages Commissioning	1,751	1,603	1,442	Care Operations	8,861	8,425	8,329	Commissioned Services	3,044	3,036	3,174	Transformation & Improvement	614	918	953	Prevention and Support	3,033	2,526	2,577	Talk Community Programme	0	1,820	1,581	Directorate Management	(17,666)	(12,586)	(12,660)	Public Health	(4,874)	(0)	0	<b>Non-client budget sub-total</b>	<b>(5,238)</b>	<b>5,742</b>	<b>5,396</b>	<b>Community Wellbeing total budget</b>	<b>47,418</b>	<b>59,990</b>	<b>62,454</b>
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<b>Recommendation 2.</b>	<b>Given the importance assigned to Talk Community to manage demand, an element of its budget be skewed towards better communication of its services and access to hubs so that there is more visibility and engagement with the community.</b>
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<b>Executive response</b>	Talk Community are currently working on a TC Communications Strategy which will launch in 2022/23. We are now at 39 Talk Community Hubs and expected to exceed 50 by the end of March 2022. We have spent £110,000 of the Talk Community budget on communication in this financial year and plan to continue with a spend equivalent to a full time post £'s during 2022/23. We have TC coordinators in each of the Primary Care Networks areas and will ensure that they continue to visibly promote Talk Community in their areas supported by the investment on communications.
<b>Recommendation 3.</b>	<b>The Interim Director of Adult Services investigates the Homeshare programme and its possible benefits and reports back to the committee.</b>
<b>Executive response</b>	We have undertaken research into the Homeshare Living Project  <a href="https://www.homeshareliving.co.uk/">https://www.homeshareliving.co.uk/</a>  The concept has excellent potential in a rural County and we are arranging to meet with the organisation within the next few weeks to explore a launch in Herefordshire. We will report back to the Committee with a launch plan following our meeting.
<b>Recommendation 4.</b>	<b>The Interim Director of Adult Services provides the committee with more information on the levels of satisfaction with the service generally and also the response raised by care leavers in the budget consultation.</b>
<b>Executive response</b>	We are collating this from a number of sources and will report to the committee once it is complete.
<b>Recommendation 5.</b>	<b>The costs involved with All Ages Commissioning, specifically mental health services, be provided to the committee.</b>
<b>Executive response</b>	See update regarding Mental Health All Ages Commissioning in <b>Annex 3</b> below.

**Annex 2      Summary of the Children and Young People Scrutiny Committee recommendations and the executive responses  
2022/23 budget setting**

On 11 January 2022, the Children and Young People Committee, having discussed the budget proposals for 2022/23 as they related to the remit of that committee, recommended that:

<b>Recommendation 1.</b>	<b>The committee notes and accepts the children and young people services budget for 2022/23.</b>
<b>Executive response</b>	Noted.

<b>Recommendation 2.</b>	<b>The committee be provided with a greater breakdown of detail where money is spent in the budget on specific service areas.</b>
<b>Executive response</b>	This was included in the background papers for General Scrutiny Committee.

<b>Recommendation 3.</b>	<b>The committee would want to see in future budgeting an increase in the allocation for early help / early years.</b>
<b>Executive response</b>	Noted for consideration in next year's budget setting process for 2023/2024.

Scrutiny requested an update on the imminent proposals for All Ages Commissioning with particular emphasis on Mental Health.

### 1. All Ages Commissioning Design Principles:-

An integrated structure; Council first

Learning from recent developments - Focus on market resilience/emergency response

Leading commissioning for ICS

Strengthening quality assurance & value for money – All Age brokerage/placements, contract compliance and QA of contracts.

Sustaining & protecting commissioning resources with a modest increase in posts overall. An agile and integrated structure.

All age/life cycle pathways and teams.

- All age disability.
- All age mental health/wellbeing
- All age quality/review
- All age residential/nursing

Building expertise and career opportunities and more graduated structure with career steps. New apprenticeship proposals.

### Strategic objectives - Commissioning Cycle



## **2. Mental health approach**

Within the All Ages Community Commissioning Function we will have a Senior Commissioner dedicated solely to Mental Health and 3 other Senior Commissioners with wider remits such as Community Services which will have an element of Mental Health within their portfolio.

The Council recruited a dedicated Mental Health Commissioner during 2020 and will continue with this commitment. The total HC10 Senior Community Commissioner resources are £262K.

The commissioned spend that the All Ages Commissioning function will be responsible for in the proposed 2022/23 budget is “Mental Health client budgets - £3.394m”.

The Councils overall approach to Mental Health Commissioning is detailed on numerous pages within the Councils Published Market Position Statement (MPS) and in particular page 28 (see link):

<https://www.herefordshire.gov.uk/downloads/file/22292/market-position-statement-2021-care-and-support-demands-and-supply-in-herefordshire>